



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR MARITIME AFFAIRS AND FISHERIES

The Director-General

Brussels,
MARE/C.2.NG

Subject: Your recommendation on the impact of the increase on fuel prices in the Outermost Regions

Dear Mr Pavón,

I write to you concerning your recommendation n.26 on the impact of the recent increase of fuel prices in the Outermost Regions.

Let me firstly thank you for the elements of the recommendation received on French Guyane, Mayotte, Azores, Madeira and Canary Islands, and to reassure you that the Commission understands the difficulties for the fisheries and aquaculture sectors to operate in the Outermost Regions in the current context.

In the light of the increase of fuel prices and the consequent socio-economic impacts, let me assure you that we are considering all possible options across the full range of instruments available. The Commission has already proposed RepowerEU, an initiative to make the EU less dependent on Russian oil, gas and coal¹.

As urgent financial support is necessary to alleviate the immediate dire socio-economic situation of the European fishery, aquaculture and seafood processing sectors, the Commission adopted an Implementing Decision² triggering the crisis mechanism provided for in Article 26(2) of the EMFAF Regulation.

This crisis mechanism allows MS to provide an exceptional support to EU operators in the fisheries, aquaculture and processing sectors who are affected by the market disruption caused by the Russian military aggression in Ukraine. It is devised as a flexible tool to quickly address all types of unpredictable crises.

¹ https://ec.europa.eu/commission/presscorner/detail/en/ip_22_1511

²C(2022) 1961 final https://ec.europa.eu/oceans-and-fisheries/system/files/2022-03/c-2022-1961_EN.pdf

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Based on the above Commission Implementing Decision, MS can provide two types of support:

- (1) financial compensation for additional costs or income foregone incurred by any operator of the fisheries, aquaculture and processing sectors, as a result of the crisis,
- (2) financial compensation to producer organisations for implementing the storage mechanism of Regulation (EU) No 1379/2013 (common organisation of the markets), which allows producer organisations to store fish as a way to secure the level of sales prices.

The description of the scope of the market disruption in recital 1 of the Implementing Decision adopted on 25 March 2022 frames the scope of the compensation measures. Recital 6 clarifies that the crisis mechanism can compensate only the direct consequences of the disruption of markets of fishery and aquaculture products caused by the military aggression of Russia against Ukraine.

These temporary crisis measures are necessary to address the current crisis. However, they should not impede the long-term efforts towards the structural energy transition of the sector. Indeed, this crisis has dramatically revealed our costly dependence on imported fossil fuels. Such dependence jeopardises the resilience of our economy. We must continue and reinforce our efforts to sustain the sector and make it resilient, in line with the objectives of the European Green Deal. This needs a double effort to seriously address energy efficiency, decarbonisation and renewable energy generation for the fishery and aquaculture sectors in the new programming period, not only through the EMFAF but also through the larger Structural Funds and the Recovery and Resilience Facility.

The Commission also adopted a temporary state aid framework that covers the fishery and aquaculture sectors, allowing for businesses to be supported by up to €35,000 with state aid. The Commission is continuing to explore other solutions, including possible action in the framework of the EMFF (2014-2020) to make use of the remaining available financial resources.

We have been informed that Portugal and Spain are already adopting measures in this framework to alleviate the negative impact of rising energy costs, while France is considering this possibility. Moreover, direct support measures on fuel have been taken by Portugal, Spain and France and we believe this will have positive effects on the reestablishment of the fishing activity in the Outermost Regions.

I trust that the wide range of support options provided at EU level combined with the national efforts of your Member States will allow to alleviate the immediate pressure on the sector and that also structural measures will be taken to decrease dependency on fossil fuel in your regions.

I am looking forward to our continued fruitful cooperation. Should you have any further questions on this reply, please contact Ms Pascale COLSON, coordinator of the Advisory Councils (Pascale.COLSON@ec.europa.eu; +32.2.295.62.73), who will forward it to relevant colleagues.

Yours sincerely,

[signed]

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